

## **1997-98 BUDGET HIGHLIGHTS**

### **Budget Sector Financial Management (see Chapter 1 for details)**

- Underlying Budget surplus of \$27 million - excludes "extraordinary" items from equity restructures and sale of government business enterprises.
- First ever consecutive Budget to deliver an underlying surplus.
- Projected underlying surpluses of \$36 million in 1998-99 and \$195 million in 1999-2000 meet the Government's commitment to achieve sustainable Budget surpluses.
- Savings initiatives of \$146 million in a full year to further improve efficiency and effectiveness of service delivery.
- Budget Sector net debt as a percentage of GSP to decline from a high 10.1% in 1994 to 6.2% in 2000.

### **Economic Conditions in 1997-98 (see Chapter 2 for details)**

- Economic growth expected at around 3½% - similar to the national level.
- NSW employment expected to rise by 1¾%.
- Inflation rate at around 2%.

### **Main Tax Measures (see Chapter 3 for details)**

- Equitable tax increases to fund new health, education and other services. Measures include -
  - Introduction of an Electricity Distributors' Levy (yield of \$100 million).
  - Land tax rate to increase from 1.65% to 1.85% and extended coverage to high valued properties (yield \$109 million).
  - Introduction of a CBD accommodation duty (yield \$48 million).

□ **Other rate changes (yield \$125 million).**

## **1997-98 BUDGET HIGHLIGHTS (cont)**

### **Police, Crime Prevention and Public Safety**

- Police Integrity Commission established with budget of \$10.7 million per annum to detect, investigate and prevent police corruption and other serious police misconduct.**
- \$2.9 million to improve court security.**
- \$3.8 million to improve road safety, including breath testing devices.**
- \$1 million per annum for Indigenous Action Plan (Department of Corrective Services).**
- \$2.4 million over two years to train staff at Juvenile Justice Centres.**
- \$1.9 million (\$6.1 million over three years) for the establishment of a Youth Justice Conferencing Scheme.**

### **Education**

- \$55 million for a "Back to School Allowance" to all parents with school-age children to help meet costs of equipping children for school each year.**
- An extra 250 teaching positions in schools. The Government has funded an additional 776 teaching positions since 1995.**
- Commence 15 new school education capital projects including 8 new schools.**
- Begin 8 major new capital developments at TAFE colleges.**

### **Social and Community Services**

- Home and Community Care program of \$254 million, including growth funding of \$8 million for new and expanded services.**
- \$4 million to improve substitute care services for children and young people in care (\$20 million over three years).**
- \$6.4 million for a joint project involving Community Services, Health and Police for improved investigation and response to child abuse.**

## **1997-98 BUDGET HIGHLIGHTS (cont)**

### **Health**

- An extra \$452 million for all health services since the last Budget, including -
  - Additional funding for growth areas of South Western and Western Sydney, Central Coast, North Coast, Hunter and Illawarra.
  - \$7 million extra for mental health services.
  - Further \$6.4 million for medical teaching and research.
- \$471 million for capital works including major new hospital projects with an estimated total cost of \$258 million.

### **Transport**

- \$348 million for rail infrastructure projects including -
  - \$193 million for the New Southern Rail/East Hills line.
  - \$12.9 million for Flemington Junction for the Olympic and Showground site.
  - Amplification of the Richmond rail line at a cost of \$8 million.
  - \$12 million for new suburban rail cars.
  - \$18 million for access, security and upgrade of stations.
- \$2,190 million for roads including -
  - \$145 million a year for roads in the West and South West of Sydney.
  - \$220 million (as part of a 10 year program) for the Pacific Highway.
- \$52 million for the M4/M5 Cashback Scheme.
- \$144 million for the M5 East project.

### **Housing, Water and Sewerage and the Environment**

- \$30.6 million in 1997-98 for backlog sewerage projects in

## **1997-98 BUDGET HIGHLIGHTS (cont)** metropolitan fringe areas.

- \$17.1 million to arrest environmental degradation in irrigation areas.
- \$4.8 million for the Willandra Lakes World Heritage listing package.
- \$0.6 million for the first stage of a \$4 million rehabilitation of wetlands on Kooragang Island.

### **Recreation and Culture**

- A record \$628 million in 1997-98 on Olympic and Paralympic facilities.
- \$5.2 million for new parks and wilderness areas.
- \$2.1 million to maintain additions to the National Parks and Wildlife Service estate.
- \$20 million for new national parks, as part of a \$50 million, 4 year program.

### **Mining, Energy and Construction**

- \$52 million (\$12 million in 1997-98) over 3 years for the Sustainable Energy Development Authority for the development, promotion and use of sustainable energy technology.
- \$1 million for the Gretley Judicial Inquiry.
- \$2.9 million for various projects promoting research, development and reform in the electricity and gas industries.
- \$2.6 million for the Discovery 2000 project to continue mapping and collecting geophysical and geological data for the State.
- \$1.6 million (over two years) to build extensions to Mineral Resources core sample library.

### **Agriculture, Forestry and Fishing**

- \$32 million in 1997-98 for the Forestry Industry Structural Adjustment Package (a total of \$120 million over the period

### **1997-98 BUDGET HIGHLIGHTS (cont)**

1995-96 to 1999-2000, funded dollar for dollar with the Commonwealth).

- \$21.4 million to complete a \$47 million, 3 year program to create new eucalypt hardwood plantations.
- \$14.8 million for State's share of the Murray Darling Basin Agreement.
- \$16.4 million for native vegetation management reforms, including \$5 million for the Native Vegetation Management Fund (\$15 million to be provided over three years).
- \$2.5 million to establish the Acid Soil Action Program (\$7 million over three years).
- \$6 million to minimise problems associated with noxious weeds, including an additional \$1 million in 1997-98.

### **Economic Services**

- \$7.6 million for business initiatives in agriculture, rural export and other export oriented industries, and industry and other assistance.
- \$1.6 million for Tourism special events marketing.